ANNUAL REPORT

ANNUAL REPORT 2000
WORKERS COMPENSATION BOARD
OF PRINCE EDWARD ISLAND

Our Mission

The mission of the Workers Compensation Board of Prince Edward Island is to:

- *Serve workers and employers through the operation of an efficient and effective insurance program for losses arising from workplace related accidents*
- *Deliver services that are fair and equitable to both employers and workers*
- *Deliver services in a cost effective manner*
- *Act in partnership with workers, employers and others to increase understanding of the need for safe and healthy workplaces and to encourage the development of standards to promote safety and health in the workplace*

Our Operating Principles

The Workers Compensation Board of Prince Edward Island is committed to service delivery that:

- *Treats people with respect*
- *Is responsive to client needs*
- *Communicates clearly and openly*
- *Acts honestly and fairly*
- *Manages resources to achieve positive results*

Our Organization

101-04632/

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Safety. First. Always.

Letter of Transmittal

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Workers Compensation Board
of Prince Edward Island

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01 March 2000

Hon. Gail Shea
Minister
Community and Cultural Affairs
P.O. Box 2000
Charlottetown, PE C1A 7N8

Dear Minister Shea:

In accordance with Section 34 of the Workers Compensation Act, the Board is pleased to provide its Annual Report for the year ending 31 December 2000.

Hon. James M. Lee
Chair

14 WEYMOUTH STREET P.O. BOX 757 CHARLOTTETOWN, PRINCE EDWARD ISLAND C1A 7L7

Board of Directors

Workers Compensation Board's (WCB) Board of Directors: seated are Joyce McCardle (vice-chair) and Hon. Jim Lee (chair); standing from left are Blake Craig, Donna Lank and Ray Gallant. The board is comprised equally of representatives from employers and workers with an independent chairperson. Donna Lank and Blake Craig joined the board in June 2000.

Message from the Chairperson for 2000

I am pleased to report on Workers Compensation Board's activities for 2000. The new millennium signifies a time of rapid growth and change and we are committed on all levels to deal effectively with the challenges that lie ahead. Improved communications, financial responsibility, superior client service, and a dedication to creating safe and healthy work environments are key.

Acting on recommendations from the 1999 Operational Review, we continued in 2000 to improve the way we communicate. Through consultation with our stakeholders to identify issues of concern and opportunity came the realization that open and willing communication is the best way to continually improve our organization as a whole.

In 2000 the reality of increased claims volume, extended earnings loss awards and higher health care costs resulted in an average increased annual assessment rate. In response, we have initiated and will have in place by May 2001, a 3 year Corporate Strategic Plan to ensure protection for PEI employers and workers through a viable workers compensation system. To ensure active participation by all compensation system stakeholders we have successfully promoted round table discussions involving employers, workers, medical service providers, and the labour community. As well, beginning early in 2001, we are conducting thorough legislative and policy reviews utilizing stakeholder participation. Our objective is to provide a quality benefits program to Island workers that is at the same time affordable for Island employers.

Key amendments to the Occupational Health and Safety Act were proclaimed in December 2000 and are essential to our steadfast pursuit of safety. The improved legislation focuses on education and internal responsibility by providing a framework for WCB, workers, employers, educators and the general public to work together. This will foster a greater understanding of workplace health and safety issues and, in turn, create safer, healthier workplaces for Islanders. Our youth will also benefit from the new legislation with the introduction of prevention education in the Holland College and training schools curriculum. By focusing on safety and education we will be able to prevent accidents and reduce costs for workers and employers. The amendments to the Occupational Health and Safety Act will help us achieve these goals by developing a workplace culture where safety is a way of life.

I want to welcome Blake Craig and Donna Lank, employer representatives, to the Board of Directors. I also want to personally acknowledge the commitment our Board of Directors and employees have shown in 2000 toward improving Workers Compensation Board for the benefit of all Islanders. Thank you, and let's continue in 2001 with more good work.

Hon. James M. Lee
Chair

Message du président, 2000

Je suis heureux de faire rapport des activités menées par la Workers Compensation Board (Commission des accidents du travail) en 2000. Le nouveau millénaire signifie une croissance et des changements rapides et nous nous sommes engagés à tous les niveaux à remplir efficacement la mission qui nous attend. Des communications améliorées, la responsabilisation financière, un service à la clientèle de qualité supérieure et la volonté de créer des environnements de travail sécuritaires et salubres sont au centre de nos préoccupations.

Pour donner suite aux recommandations de la révision opérationnelle de 1999, nous avons continué en 2000 d'améliorer notre façon de communiquer. Par l'entremise de consultations avec nos intervenants qui avaient pour but de cerner les problèmes et les possibilités, nous nous sommes rendu compte que des communication franches et directes sont le meilleur gage de continuer d'améliorer notre organisation dans son ensemble.

En 2000, les réalités de l'augmentation du nombre de demandes d'indemnisation, de la prolongation des indemnisations pour pertes de revenus et de la hausse des coûts des soins de santé ont eu pour effet d'accroître le taux de cotisation annuel moyen. En réaction, nous avons élaboré un plan stratégique général de trois ans, qui sera en place en mai 2001, afin d'assurer la protection des employeurs et des travailleurs de l'Île au moyen d'un régime d'indemnisation des travailleurs viable. Dans le but de promouvoir une participation active de tous les intervenants du régime d'indemnisation, nous avons favorisé la tenue de tables rondes qui réunissaient des employeurs, des travailleurs, des fournisseurs de soins de santé et des gens du monde du travail. Ces tables rondes ont connu un grand succès. En outre, à compter du début de l'année 2001, nous procéderons, en collaboration avec les intervenants, à l'examen des lois et politiques. Notre objectif est d'assurer un programme d'indemnisation de qualité pour tous les travailleurs de l'Île qui est, en même temps, abordable pour les employeurs de l'Île.

D'importantes modifications à la Occupational and Safety Act (Loi sur la santé et la sécurité du travail) ont été adoptées en décembre 2000. Ces modifications sont essentielles à notre poursuite tenace de la sécurité. La loi améliorée porte sur l'éducation et la responsabilité interne en fournissant un cadre de travail unique pour la Commission, les travailleurs, les employeurs, les éducateurs et l'ensemble de la population. Cela favorisera une compréhension accrue des questions liées à la santé et à la sécurité du travail et, en retour, permettra de créer des lieux de travail plus sécuritaires et salubres pour les Insulaires. Notre jeunesse profitera également de la nouvelle loi grâce à l'introduction d'une formation en prévention dans le programme d'études du Collège Holland et des écoles de formation. En nous concentrant sur la sécurité et l'éducation, nous serons capables de prévenir les accidents et de réduire les coûts pour les travailleurs et les employeurs. Les modifications à la Loi sur la santé et la sécurité du travail nous aidera à atteindre ces objectifs en établissant une culture du lieu de travail où la sécurité est une façon de vivre.

Je souhaite la bienvenue au Conseil d'administration à Blake Craig et à Donna Lank, représentants des employeurs. Je tiens également à reconnaître personnellement l'engagement que notre conseil d'administration et les employés ont démontré en 2000 à l'égard de l'amélioration de la Commission des accidents du travail pour le bien-être de tous les Insulaires; je les en remercie. Poursuivons notre beau travail en 2001.

Le président,

James M. Lee

Message From the Chief Executive Officer

The past year has been a time of change at Workers Compensation Board as the Operational Review conducted in 1999 produced some major structural changes. Three divisions were established: Occupational Health and Safety, Client Services and Corporate Services. With these changes, the Board began to take steps to improve services for workers and employers, and to focus on the need for safe and healthy work environments.

As well, year 2000 was an exciting and busy time, as the Board had an opportunity to host the national Congress in June, which is an annual meeting of all Workers Compensation Boards across Canada. This provided a great opportunity for staff and Board members to network with their colleagues and gain valuable information about services, research and future issues with workers compensation and occupational health and safety.

The following are some of the key activities and initiatives we undertook in 2000:

1. KEEPING ISLANDERS SAFE AT WORK

- In April 2000, the Occupational Health and Safety division successfully hosted the first annual PEI conference on workplace safety; the 2nd annual conference will take place in April 2001
- Greater awareness about health and safety was developed through participation in local and national awareness campaigns
- In May 2000, the Occupational Health and Safety division hosted a meeting for Safety Representatives of the Atlantic Provinces (RAP)
- In December 2000, the PEI Legislature proclaimed key amendments to the Occupational Health and Safety Act helping us to help Islanders reduce workplace accidents
- Throughout the year, prevention and education efforts were strengthened so that workplace safety will become a way of life for all Islanders

2. IMPROVING THE DELIVERY OF SERVICES TO INJURED WORKERS

- Through the efforts of Occupational Therapists and Vocational Rehabilitation Counselors, many injured workers were successful in "easing back" into their workplaces or planning for career changes
- Based on an analysis of our service to clients, a new case management model will be implemented in 2001; 2 Case Team leaders have been recruited to lead this service delivery change
- A Medical Director, with expertise in Occupational Medicine, was recruited to provide leadership in the area of medical services, to be a resource for staff and to assist the PEI medical community, employers and workers to understand occupational medicine issues including prevention, treatment and recovery

3. WORKING WITH EMPLOYERS

- Discussions were initiated with employers on the need to establish a long term funding strategy; a decision on this will be made in 2001
- Work began on the development of an "Assessment Payment Pilot Project" designed to make paying assessments easier for employers
- A broader consultation process across the province is anticipated to begin in 2001

4. ENHANCING CORPORATE SERVICES

- In November 2000, planning for the development of a Corporate Strategic Plan was initiated and the Plan is expected to be completed by May 2001
- An office automation project was implemented to support improved internal and external communications
- Improvements were made to the annual budget planning process

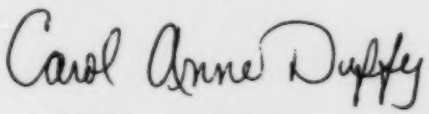
5. STRENGTHENING SKILLS OF STAFF

- Several staff are participating in the Disability Management Program through Dalhousie University
- Specialized staff have been recruited to assist with legislative and policy reviews
- Some Occupational Health and Safety Officers are completing course work to obtain their designation of Canadian Registered Safety Professional

I take this opportunity to thank all staff for their hard work and commitment toward improving services for Islanders. As we move forward in 2001 to implement many changes within the PEI Workers Compensation Board, I appreciate the efforts of all staff who are working very diligently to make a difference for our clients.

I also thank the Board of Directors for providing the dedication and leadership necessary to move us forward. In 2000, we successfully completed what we set out to do and we are looking forward to working with employers and workers to provide you with a better Workers Compensation system.

Carol Anne Duffy



Chief Executive Officer

Message de la directrice générale

L'année dernière a été une année de changements au sein de la Commission des accidents du travail. En effet, l'examen des opérations mené en 1999 a abouti à de grands changements structuraux. Trois divisions ont été établies : Santé et sécurité du travail, Services à la clientèle et Services généraux. Avec ces changements, la Commission a commencé à prendre des mesures pour améliorer les services offerts aux travailleurs et aux employeurs et à accorder une plus grande attention à la nécessité d'établir des milieux de travail sécuritaires et salubres.

De plus, l'année 2000 a été excitante et occupée du fait de la tenue en juin par la Commission du congrès national annuel des commissions des accidents du travail de partout au Canada. Ce fut l'occasion pour le personnel et les membres de la Commission d'établir des réseaux avec leurs collègues et de recueillir de l'information utile sur les services, la recherche et les questions d'intérêt futures en ce qui concerne l'indemnisation des travailleurs et la santé et la sécurité du travail.

Voici certaines des activités et des initiatives clés que nous avons entreprises en 2000 :

1. ASSURER LA SÉCURITÉ DES INSULAIRES AU TRAVAIL

- En avril 2000, la première conférence annuelle à l'Île sur la sécurité du travail, organisée par la Division de la santé et de la sécurité du travail, a eu un grand succès; la deuxième conférence se tiendra en avril 2001
- Sensibilisation accrue à la santé et à la sécurité du travail au moyen de la participation à des campagnes de sensibilisation nationales et locales
- En mai 2000, la Division de la santé et de la sécurité du travail a accueilli des représentants de la sécurité des provinces atlantiques
- En décembre 2000, l'Assemblée législative de l'Île a adopté des modifications importantes à la Occupational Health and Safety Act (Loi sur la santé et la sécurité du travail), ce qui nous permettra d'aider les Insulaires à réduire les accidents du travail
- Tout au long de l'année, les efforts déployés en matière d'éducation et de prévention ont été renforcés de manière que la sécurité au travail devienne un mode de vie pour tous les Insulaires

2. AMÉLIORATION DE LA PRESTATION DES SERVICES DESTINÉS AUX TRAVAILLEURS BLESSÉS

- Avec l'aide des ergothérapeutes et des conseillers d'orientation professionnelle, de nombreux travailleurs blessés ont repris avec succès leur travail ou ont planifié une réorientation de carrière
- Par suite de l'évaluation des services que nous offrons à notre clientèle, un nouveau modèle de gestion des cas sera mis en place en 2001; deux chefs d'équipe ont été embauchés pour voir à la mise en oeuvre de ce changement en ce qui concerne la prestation des services
- Un directeur médical spécialisé dans la médecine du travail a été embauché afin d'assurer la direction du secteur des services médicaux, de servir de ressource au personnel et d'aider la communauté médicale, les employeurs et les travailleurs de l'Île à comprendre les questions de médecine du travail, y compris la prévention, le traitement et la guérison

3. COLLABORATION AVEC LES EMPLOYEURS

- Des pourparlers ont été engagés avec les employeurs en ce qui concerne la nécessité d'établir une stratégie de financement à long terme; une décision sera prise à ce sujet en 2001
- La mise au point d'un « projet pilote sur le paiement des cotisations » conçu dans le but de faciliter le processus de paiement pour les employeurs a été amorcée
- Un processus de consultation plus poussé dans toute la province devrait commencer en 2001

4. AMÉLIORATION DES SERVICES GÉNÉRAUX

- La planification de l'élaboration d'un plan stratégique général a débuté en novembre 2000; le plan devrait être achevé en mai 2001
- Un projet d'automatisation du bureau a été élaboré dans le but d'améliorer les communications internes et externes
- Des améliorations ont été apportées au processus de planification budgétaire annuel

5. PERFECTIONNEMENT DU PERSONNEL

- Plusieurs membres du personnel participent au programme de gestion des invalidités offert par l'université Dalhousie
- Des employés spécialisés ont été embauchés pour travailler à l'examen des politiques et de la législation
- Des agents de la santé et de la sécurité du travail ont terminé les travaux de cours en vue d'obtenir leur agrément comme professionnel autorisé de la sécurité au Canada

Je profite de l'occasion pour remercier tout le personnel pour son ardeur au travail et son engagement à l'égard de l'amélioration des services offerts aux Insulaires. Alors que nous amorçons 2001, de nombreux changements seront mis en oeuvre au sein de la Commission des accidents du travail de l'Î.-P.-É. Je suis reconnaissante à tous les employés qui travaillent avec ardeur à faire changer les choses pour nos clients.

Je remercie aussi le Conseil d'administration pour son dévouement et sa direction qui nous permettent d'aller de l'avant. En 2000, nous avons terminé avec succès les tâches que nous nous étions fixées. Nous avons maintenant hâte de travailler avec les employeurs et les travailleurs afin d'offrir un meilleur régime d'indemnisation des travailleurs.

La directrice générale,

Carol Anne Duffy

Carol Anne Duffy

WCB Initiatives

Occupational Health and Safety Division

Creating Safe and Healthy Workplaces for Islanders

PURPOSE

The WCB's Occupational Health and Safety (OH & S) division assists Prince Edward Island workers and employers in eliminating workplace accidents and illnesses. Focusing on safety and prevention will ultimately develop a strong safety culture in Prince Edward Island workplaces and lead to a decreased accident rate. In 2000 there were no workplace fatalities on PEI.

SAFETY CONFERENCE

In April of 2000 the Occupational Health and Safety division hosted the first of what WCB hopes to be an annual conference on workplace safety. 150 delegates from all sectors of Island businesses attended such sessions as Impact of Shift Work, Soft Tissue Injury Prevention, and Build Your Own Joint Health and Safety Committee.

The huge response from employers and workers showed a genuine concern for creating safer Island workplaces. The 2nd annual conference will take place on April 3rd and 4th 2001.

REPRESENTATIVES OF ATLANTIC PROVINCES (RAP)

In May 2000 the OH & S division hosted the Occupational Health and Safety Representatives of the Atlantic Provinces (RAP) which meets every year to discuss enforcement concerns and issues common to all Atlantic jurisdictions and each province's approach to these issues. Topics discussed at 2000's RAP included hazards in the photo processing industry, hazards in the fiberglass industry, and guarding in the woodworking industry.

SERVICE IMPROVEMENTS

A bilingual health and safety officer was recruited to better serve the needs of Francophone persons requesting assistance.

AMENDMENTS TO OCCUPATIONAL HEALTH AND SAFETY ACT

One of the first JOSH (Joint Occupational Health and Safety) committees created in response to the new safety legislation: Souris, PEI

In December 2000, the Occupational Health and Safety Act was amended to strengthen efforts to create and maintain safe and healthy workplaces. The new legislation focuses on education and internal responsibility by providing a framework for WCB, workers, employers, educators and the general public to work together.

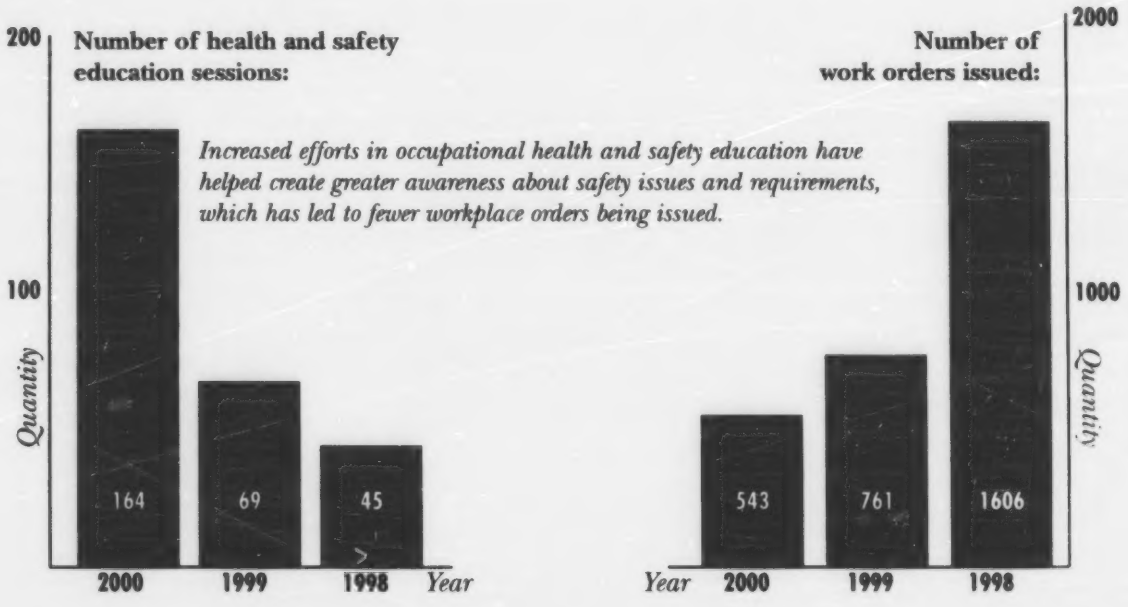
New requirements for employers include the implementation of an occupational health and safety policy and program, as well as the requirement for a joint occupational health and safety committee or a representative.

Other changes include the requirement for Holland College and training schools to include safety training in trade courses, the introduction of the OH & S Advisory Council, and the use of codes of practices for specific hazards or a specific workplace.

STAFF DEVELOPMENT AND EDUCATION

Occupational Health and Safety staff continued to participate in the Canadian Registered Safety Professional certification program.

IN YEAR 2000:



WCB Initiatives

Client Services Division

Quality Service for Injured Workers

PURPOSE

Client Services develops and implements an integrated and continuously improving system of service delivery which enables workers, surviving dependents and employers to receive the benefits and services to which they are entitled in a fair, effective and timely manner.

REORGANIZATION OF WCB'S CLIENT SERVICES DIVISION

Acting on recommendations made in September 2000 the Client Services Division of WCB is improving service to injured workers and employers with a 2 tier model of case management. The new model will work as follows:

- No time loss and short term temporary earnings loss cases will be handled by tier 1 entitlement managers
- Facts relating to the workplace accident will be gathered as soon as the first documentation or notification is received. This will avoid delays in approving benefit payments to seriously injured workers
- More complex temporary loss cases will be handled by a tier 2 case management team, lead by a case manager
- Pensions and extended earnings loss cases will be handled by an extended earnings loss manager
- Team leaders will assume responsibility for quality control over the work conducted

A main priority of WCB's Client Service division is to manage claims pro-actively. For instance, using disability case management principles, such as early intervention and case planning, will help ensure safe and timely return to work. The new model encourages efficiency, flexibility, teamwork, initiative, and accountability (target date for completion is Summer 2001).

MEDICAL ADVISOR

The recruitment of a Medical Advisor with a specialization in Occupational Medicine was a major initiative during the year. This expertise will greatly enhance WCB's understanding of the relationship of injuries to accidents in the workplace and improve decision making in an effort to serve both the clients and employers needs in a more effective and focused manner.

LEGISLATIVE REVIEW

The new Workers Compensation Act was enacted in 1995. Since that time, a number of concerns have been identified with respect to the interpretation and scope of the Act. Based on recommendations by the government's Legislative Review Committee, and recognizing the need for a review of the Act, the Workers Compensation Board will conduct a thorough legislative review in 2001. The Board of Directors of the Workers Compensation Board will establish a legislative advisory committee with stakeholder representation, to explore possible amendments to the Act and to make recommendations for legislative change. The committee will hold public meetings in 2001 to gather input from employers, employees, and the general public. Amendments are targeted to be complete for introduction into the Legislative Assembly during the Fall sitting 2001.

POLICY REVIEW

The policies relating to Client Services are being reviewed, updated and amended as required in support of the Workers Compensation Act, and the operational changes taking place.

All Client Services policies are being critiqued, put into a more understandable format and being made accessible to the general public. Stakeholders such as employer groups, workers and health professionals will be consulted during 2001 on the policy changes for their input and their commitment to the approaches being taken within the policies. The Client Services policies are expected to be completed by early 2002.

STAFF TRAINING

The organization continued its efforts to develop the skills and knowledge of Client Services staff through participation in training programs dealing with case management issues as well as continued participation in the Disability Management Program via distance education through Dalhousie University.

Irene Arbing, meat clerk and recovered injured worker (left), Stephanie Rainnie, Occupational Therapist (right).

Irene Arbing made good use of the Workers Compensation Board's "Ease Back" process which helped her recover by safely increasing her activity to normal levels at the workplace. Research has shown that the best way to recover from an injury is to keep as active as possible during the recovery period. With the help of Occupational Therapy and a specially designed grip for her knife, Irene was able to gradually increase her involvement in her regular job duties. During Ease Back, Irene worked as an extra staff member while receiving WCB Temporary Earnings Loss benefits, and upon full recovery resumed her former position.

Dear Larry, Stephanie, Marilyn, Marilee, Dr. Wedge, Dr. Marchant and the front receptionist;

I am writing this letter to sincerely thank everyone that was involved in my case. I had nothing but a positive and supportive team that eventually led to me returning to work. I realize that my case was complicated to say the least at times but never once did I feel that I was not being supported. To Larry and Stephanie who gave me a shoulder to cry on and a place to vent my frustration and anger when my injury would get the best of me, I sincerely thank you from the bottom of my heart, words will never let me explain what this meant to me. To Larry's receptionist Marilyn, who made numerous appointments and made phone calls on my behalf. To Dr. Wedge who made me feel very comfortable and took the time to explain to me what was going on with my injury and translating some of the doctors findings. To Dr. Marchant who was very understanding, attentive and thorough in her assessment of my case, I found her to be very easy to communicate with. To Marilee who helped us find a compound in which to build up my knife handles which without would have made returning to my line of work almost impossible. Taking the time out of her day to drop these knives off at my home, so that I would be able to work with them my first day back at work. To the front desk receptionist who always had a smile when I would walk in the front doors, she always made me feel welcome. So in closing, I would like to say thank you to everyone for making this a positive experience for me, you hear some horror stories about W.C.B. and I will never be able to relate to this for I have nothing but praise and positive comments to make on W.C.B.'s behalf.

Sincerely:
Irene Arbing

WCB Initiatives

Corporate Services Division

Focused on Operational Effectiveness

PURPOSE

The Corporate Services Division develops and maintains the internal infrastructure required for WCB to provide consistent quality services to clients.

IMPROVING SERVICES FOR EMPLOYERS

Greg MacCallum (right), manager of WCB's assessment pilot project, reviews project information with two participating employers: Kevin Hughes (left) of Hughes Chrysler and Rick Kennedy (centre) of Curran & Briggs.

In 2000 the Employers Committee on Workers Compensation for PEI expressed interest in a system that would allow PEI employers to submit assessments monthly based on actual payroll rather than annually based on an estimate of payroll. As a result, the Corporate Services Division has initiated the Assessment Payment Project to develop a business case for changes in procedures for collection of employer assessments.

This project includes a "test" group of 103 employers who, beginning in January 2001, will begin submitting monthly assessment payments. Feedback from the "test" group together with input collected from all PEI employers will result in recommendations on future directions of collection of assessments from PEI employers.

CORPORATE STRATEGIC PLAN

The development of a Corporate Strategic Plan began in November 2000. Island workers, employers and health care providers have been invited to participate in the planning process with the WCB Board of Directors and staff. The strategic plan will define the organizational priorities and directions for the next 3 years. Mission and values together with key result areas such as finances, policy, legislation, environmental impacts and demographics will be examined.

Stakeholder input is essential to the success of strategic planning as it provides a forum for WCB to listen to concerns and to incorporate constructive suggestions on key result areas. The completion date for the corporate strategic plan is May 2001.

OFFICE AUTOMATION

In May 2000, the Corporate Services Division provided enhanced office automation tools in an effort to assist staff in the delivery of client services. The office automation project introduced an E-mail system, desktop software standards and shared resources to the WCB organization.

Implementation will continue in 2001 with the availability of a "help desk" to support staff in the day to day use of the automated tools and a defined process for requesting additional or modified tools in the area of information technology.

COMMUNICATING EFFECTIVELY

A successful workers compensation system depends upon open communication and cooperation between all system stakeholders. Understanding each others needs, concerns and actions is essential to effective service delivery.

WCB Board members and senior staff meeting with members of the PEI Federation of Agriculture.

In 2000, WCB actively consulted with injured workers and labour groups, employers and their associations, health care providers, unions and government in an effort to facilitate such communications. Moving into 2001, WCB will place a strong emphasis on sincere face-to-face communication through presentations and open forum meetings with all stakeholder groups.

FUNDING STRATEGY

WCB realizes the importance of a Funding Strategy to ensure the long term viability of the workers compensation system for all stakeholders. In 2000, WCB researched action plans for elimination of the unfunded liability in other jurisdictions and completed an independent actuarial review of options for eliminating the WCB PEI unfunded liability.

WCB shared a discussion paper with the employer community in 2000 that defined and provided the history of its unfunded liability, and outlined potential options for improving funding status. In 2001, WCB will continue with extensive consultation meetings across PEI in an effort to inform employers about the funding status. WCB is committed to implementing an effective Funding Strategy. Development of the strategy will be revisited once employer consultations have been completed.

Financial Information

Actuarial Certificate

ACTUARIAL CERTIFICATE

We have completed an actuarial valuation of the benefits liabilities for insured employers under the Workers Compensation Act of Prince Edward Island as at December 31, 2000, for the purpose of providing input to the Financial Statements of the Board at December 31, 2000.

Our estimate of the benefits liabilities of $87,276,162 represents the actuarial present value at December 31, 2000, of expected benefit payments of all types which will be made in future years, and which relate to claims arising from events that occurred on or before December 31, 2000. As in previous valuations, the benefits liabilities do not include any provision for future claims related to occupational disease or for future expenses of administration of existing claims. No allowance has been made for any possible future deviations from the present policies and practices of the Board or for the extension of new coverage types.

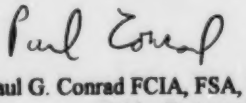
All liabilities have been calculated using an underlying assumption of 3.75% real rate of return on invested assets. Rates of increase in the Consumer Price Index are assumed to be 4.0% per annum.

The liabilities in respect of short-term disability, hospital, medical aid, and rehabilitation benefits have been determined from projections of future claim payments. These projections have been based on factors developed from the Board's claims experience and average benefit rates in recent years.

Additional information regarding our actuarial valuation is provided in our more detailed valuation report to the Board.

We have reviewed the data which were used for the valuation to test for reasonableness and consistency with the data available from other sources. However, it must be emphasized that very little data are available in terms of the effect of wage loss procedures on future permanent awards liabilities. In addition, there is considerable volatility in the payment patterns with respect to the other future awards liability categories, due to their relatively low claims volumes. In our opinion, the data are sufficient and reliable for the purpose of this valuation.

In our opinion, the actuarial assumptions are appropriate for the purpose of the valuation and the methods employed are consistent with sound actuarial principles. Our valuation report has been prepared and our opinions have been given in accordance with accepted actuarial principles.



Paul G. Conrad FCIA, FSA, MAAA
Eckler Partners Limited
March 5, 2000

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Auditors' Report

To the Members of the Board of The Workers Compensation Board of Prince Edward Island

We have audited the balance sheet of The Workers Compensation Board of Prince Edward Island as at December 31, 2000 and the statements of operations and unfunded liability and cash flows for the year then ended. These financial statements are the responsibility of the Board's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Board as at December 31, 2000 and the results of its operations and changes in its cash flows for the year then ended in accordance with generally accepted accounting principles.

Charlottetown
Prince Edward Island
February 2, 2001

Grant Thornton LLP

Chartered Accountants

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Financial Statements

STATEMENTS OF OPERATIONS AND UNFUNDED LIABILITY

Year Ended December 31	2000	1999
Revenues		
Current assessments	$18,464,089	$17,290,165
Self insured employers (Note 11)	2,564,627	2,326,346
Investments (Note 5)	4,465,752	4,407,002
Recoverable administration fees and interest charges per Strait Crossing Joint Venture agreement	776,455	303,669
Recoverable administration fees and interest charges to self insured employers (Note 11)	578,954	612,319
(Loss) gain on disposal of fixed assets	(2,318)	122,339
	26,847,559	25,061,840
Expenditures		
Changes in actuarial assumptions and methodology (Note 7)	—	(567,780)
Expected increase and experience gains and losses (Note 7)	10,229,652	6,187,764
Claims costs incurred (Note 7)	12,516,182	12,149,766
Claims costs incurred self insured employers (Note 11)	2,564,627	2,326,346
	25,310,461	20,096,096
	1,537,098	4,965,744
Administration (Page 13)	4,194,897	3,985,241
Occupational health and safety, and other	563,424	574,669
Workers' Adviser Program (Note 10)	96,125	88,612
	4,854,446	4,648,522
Excess of expenditures over revenues	$(3,317,348)	$317,222
Unfunded liability, beginning of year	$(27,771,374)	$(28,088,596)
Excess of expenditures over revenues	(3,317,348)	317,222
Unfunded liability, end of year	$(31,088,722)	$(27,771,374)

See accompanying notes to the financial statements.

Financial Statements

BALANCE SHEET

December 31	2000	1999
Assets		
Receivables (Notes 3 and 11)	**$7,034,828**	$3,537,793
Investments (Note 5)	**57,551,722**	52,976,014
Capital assets (Note 6)	**2,826,173**	3,006,532
	$67,412,723	$59,520,339
Liabilities and Net Fund Deficiency		
Bank indebtedness	**$5,145,304**	$1,973,802
Payables and accruals	**404,743**	608,803
Vacation pay and sick leave payable (Note 13)	**63,662**	454,526
Benefits liabilities (Note 7)	**91,727,878**	82,868,238
Capital lease obligation (Note 8)	**282,818**	359,284
Debenture payable (Note 9)	**877,040**	1,027,060
	98,501,445	87,291,713
Net fund deficiency and unfunded liability	**(31,088,722)**	(27,771,374)
	$67,412,723	$59,520,339

Contingent liabilities (Note 12)
Other matters (Note 13)

On behalf of the Board

Chairman

Carol Anne Duffy Chief Executive Officer

See accompanying notes to the financial statements.

Financial Statements

STATEMENT OF CASH FLOWS

Year Ended December 31	2000	1999
Cash flow from operating activities		
Cash received from:		
Employers for assessments	$18,434,406	$17,318,222
Self insured employers for assessments	2,588,064	2,251,593
Investments and other	4,473,091	4,404,948
Strait Crossing project account	(3,498,128)	731,675
	21,997,433	24,706,438
Cash paid:		
To claimants or third parties on their behalf	(16,450,821)	(17,024,787)
For administration requirements and other goods	(3,851,076)	(3,577,672)
	(20,301,897)	(20,602,459)
Net cash provided by operating activities	1,695,536	4,103,979
Cash flow from investing activities		
Cash received from:		
Proceeds on sale of capital assets	2,500	360,000
Cash paid for:		
Purchase of capital assets	(143,810)	(124,511)
Net cash used by investing activities	(141,310)	235,489
Cash flow from financing activities		
Cash (paid for) received from:		
Increase in bank indebtedness	3,171,502	1,973,802
Repayment of long term debt	(150,020)	(152,905)
	3,021,482	1,820,897
Net increase in cash and investments	4,575,708	6,160,365
Cash and investments		
Beginning of year	52,976,014	46,815,649
End of year	$57,551,722	$52,976,014

See accompanying notes to the financial statements.

Financial Statements

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2000

1. Nature of operations

The Workers Compensation Board (the Board) was established by the Prince Edward Island Legislature in 1949 under the Workers Compensation Act (the Act). The Board is responsible, in accordance with the provisions of the Act, for administering the payment of benefits to or on behalf of recovering workers; levying and collecting assessment revenues from established classes of employers in amounts sufficient to cover the current and future costs of existing claims; and investing funds, following investment policies which are approved by the Board within the guidelines established by the Act, and for administering the Occupational Health and Safety Act. On January 1, 1995 the current Act became effective.

The Board does not receive government funding.

2. Summary of significant accounting policies

CASH AND INVESTMENTS
Cash and investments include cash on hand and balances with banks, net of bank overdrafts, and the Board's share of investments held in a pooled fund with the Workplace Health, Safety and Compensation Commission of New Brunswick. Bank borrowings are considered to be financing activities.

ACCRUED ASSESSMENTS RECEIVABLE
At the beginning of each year, an assessment is levied on employers by applying industry assessment rates to their estimated payrolls. During the year, employers' actual payrolls may vary from their estimate, therefore, at year end, accrued assessments receivable are adjusted based on payroll adjustments from the prior year.

INVESTMENTS
Fixed term investments are carried at amortized cost. Gains or losses realized on disposal of fixed term investments are amortized on a straight line basis over a nine year period, which approximates the period to maturity.

Equity investments and option contracts are stated at moving average market value. A portion of unrealized gains and losses occurring during the year, together with gains and losses realized on disposal of equity investments, are deferred and amortized on a straight line basis over a five and four year period.

2.Summary of significant accounting policies (con't)

CAPITAL ASSETS
Property and equipment are reported at cost and are depreciated over their estimated lives on the straight line basis for building and computer equipment under capital lease and on the declining balance basis for furniture and equipment, computer programs, and motor equipment. The rates used are as follows:

Building	40 years,	straight line
Furniture and equipment	10%,	declining balance
Computer programs and equipment	20%,	declining balance
Motor equipment	30%,	declining balance
Computer equipment under capital lease	5 years,	straight line

BENEFITS LIABILITIES
An independent consulting actuary completes a valuation of the components of the benefits liabilities of the Board on an annual basis.

The benefits liabilities represent the actuarial present value of all future benefits payments expected to be made for claims which occurred in the current fiscal year or in any prior year. The benefits liabilities include provision for all benefits provided by current legislation policies and/or administrative practices in respect of existing claims. No provision has been made for future claims related to latent occupational disease because they cannot be reasonably estimated.

3.Receivables	**2000**	1999
Assessments	**$790,092**	$512,133
Accrued assessments	**(46,500)**	201,776
Other	**7,899**	15,238
Self-insured employers	**213,567**	237,004
Strait Crossing Joint Venture (Note 4)	**6,069,770**	2,571,642
	$7,034,828	$3,537,793

4. Strait Crossing Joint Venture

An actuarial valuation was completed in May 2000 for the period ended December 31, 1999 to determine the benefits liabilities owing concerning the Strait Crossing Joint Venture agreement. The receivable balance at December 31, 2000 reflects the result of this adjustment and accrued interest owing on the balance calculated to December 31, 2000.

5. Investments	**2000**	1999
Money market	**$1,802,075**	$6,014,404
Fixed term investments		
(market value - $21,639,066; 1999 - $17,497,716)	**23,257,381**	20,058,707
Equities		
(market value - $39,299,300; 1999 - $36,932,791)	**36,310,354**	29,038,820
	61,369,810	55,111,931
Deferred realized investment gains	**(3,818,088)**	(2,135,917)
	$57,551,722	$52,976,014
DEFERRED REALIZED INVESTMENT GAINS		
Balance, beginning of the year	**$2,135,917**	$4,542,161
Realized net investments gains for the year	**4,591,243**	182,168
	6,727,160	4,724,329
Amortization to investment income	**(2,909,072)**	(2,588,412)
Balance, end of the year	**$3,818,088**	$2,135,917
INVESTMENT INCOME		
Earned during the year	**$1,713,812**	$1,334,946
Amortization of deferred realized investment gains	**2,909,072**	2,588,412
Amortization of deferred unrealized investment gains	**62,610**	739,510
	4,685,494	4,662,868
Less: Portfolio management expenses	**(219,742)**	(255,866)
	$4,465,752	$4,407,002

DERIVATIVE FINANCIAL INSTRUMENTS

Certain of the Board's external investment portfolio managers may from time to time utilize derivative financial instruments where appropriate to increase portfolio diversification, reduce interest rate and foreign currency volatility and enhance overall investment returns. At December 31, 2000, no derivative financial instruments were included in the investments.

5. Investments (con't)

INVESTMENT AGREEMENT

The Board has entered into an Investment Agreement (January 1995) for the management of its investment assets with those of the Workplace Health, Safety and Compensation Commission of New Brunswick. These financial statements report the Board's proportionate share of the investment assets held in the pooled fund which was 9.4% at December 31, 2000 (1999 – 9.4%). The Board pays a fee to the Workplace Health, Safety and Compensation Commission of New Brunswick for the administration of the combined investments.

6. Capital assets

			2000	1999
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value
Land	$368,460		$368,460	$368,460
Building	1,219,402	$133,863	1,085,539	1,092,159
Furniture and equipment	1,370,512	554,768	815,744	807,391
Computer programs	1,237,979	952,648	285,331	356,664
Motor equipment	47,792	32,690	15,102	21,574
Computer equipment under capital lease	1,057,655	801,658	255,997	360,284
	$5,301,800	$2,475,627	$2,826,173	$3,006,532

7. Benefits liabilities

					2000	1999
	Short Term Disability	Long Term Disability	Health Care	Rehabilitation	**Total**	Total
Balance, beginning of year	$4,483,852	$67,209,722	$9,444,486	$1,730,178	**$82,868,238**	$79,796,929
Decrease in actuarial assumptions and methodology	–	–	–	–	–	(567,780)
Actuarial adjustment for Strait Crossing Joint Venture agreement	–	2,542,659	–	–	**2,542,659**	–
Expected increase and experience gains and losses	191,316	6,013,814	2,807,733	1,216,789	**10,229,652**	6,187,764
	4,675,168	75,766,195	12,252,219	2,946,967	**95,640,549**	85,416,913
Claims costs incurred	4,338,239	3,582,721	3,604,202	991,020	**12,516,182**	12,149,766
	9,013,407	79,348,916	15,856,421	3,937,987	**108,156,731**	97,566,679
Less: Claims payments made	4,527,131	6,379,921	4,200,552	1,321,249	**16,428,853**	14,698,441
Balance, end of year	$4,486,276	$72,968,995	$11,655,869	$2,616,738	**$91,727,878**	$82,868,238

An independent actuarial valuation of the components of the benefits liabilities as at December 31, 2000 was completed.

CHANGES IN ACTUARIAL ASSUMPTIONS AND METHODOLOGY

During 1999 actuarial valuations certain of the assumptions and the methodology used in prior years were changed. The monetary effect is allocated as follows:

Change in the mortality tables	$ –	$41,230
Change in economic assumptions	–	(45,781)
Change in valuation of hospital and medical aid costs	–	(563,229)
	$ –	$(567,780)

The monetary effect of the changes in actuarial assumptions and methodology is reflected in the applicable year.

7. Benefits liabilities (con't)

Benefits liabilities of self-insured employers are not included in the benefits liability. These liabilities will be borne by those employers when paid in future years, they do not add to the Board's unfunded liability or its net fund deficiency.

Included in the long term disability benefits liability at December 31, 2000 is $4,451,716 (1999 - $2,289,134), which relates to Strait Crossing Joint Venture. During the year, the Board had an actuarial study completed as at December 31, 1999 relating to the Strait Crossing Joint Venture agreement as set out in the contract between the Board and Strait Crossing Joint Venture. The actuarial valuation calculated the benefits liability to be $4,831,793. The Board recorded the actuarial adjustment in the current year. As no valuation was performed on this particular component of benefits liabilities as at December 31, 2000 the Board has estimated the amount.

8. Capital lease obligation

Future minimum lease payments under the capital lease of computer equipment as at December 31, 2000 are as follows:

2001	$134,556
2002	127,812
2003	127,812
	390,180
Less: Amount representing	
Interest	59,986
Maintenance costs	47,376
	$282,818

9. Debenture payable	2000	1999
Unsecured, 5.73% debenture maturing in 2001, amortized to 2006 payable in equal weekly payments of $2,885 plus interest.	$877,040	$1,027,060

Principal repayments due in each of the next five years are as follows: 2001 - $150,020; 2002 - $150,020; 2003 - $150,020; 2004 - $150,020; 2005 - $150,020.

10. Related party transactions

The Board is required by the Act to provide an annual grant to the Workers' Adviser Program.

The Board is required by the Act to pay the operating costs of the Appeal Tribunal.

11. Self insured employers

These financial statements include the effects of significant transactions carried out for self-insured employers, principally Government of Canada and Government of Prince Edward Island, who directly bear the costs of their own incurred claims and an appropriate share of administration expenditure. Total amounts of such assessment revenue and offsetting expenses included in the statements of operations and unfunded liability are as follows:

	2000	1999
Current assessment revenue	$2,564,627	$2,326,346
Administration fees and interest charges recoverable	578,954	612,319
	$3,143,581	$2,938,665
Claims costs incurred		
Short term disability	$365,043	$382,023
Long term disability	1,520,224	1,379,818
Health care	630,962	500,526
Rehabilitation	48,398	63,979
	2,564,627	2,326,346
Administration fees and interest charges	578,954	612,319
	$3,143,581	$2,938,665

12. Contingent liabilities

CLAIMS
The Board is currently seeking clarification on Subsection 50(4) of the Workers' Compensation Act. This section states that:

> Where a worker is not in receipt of a permanent partial or total disability pension based on a medically assessed disability and was assessed on a wage loss benefit basis after January 1, 1992, but before the date this section comes into force, the wage loss benefits will be payable until
> (a) the loss of earnings capacity ends, as determined by the Board; or
> (b) the worker attains the age of 65 years, provided that where the worker was 63 years of age or older at the commencement of his or her loss of earning capacity, the Board may pay the wage loss benefits for a period of time not to exceed 24 months from the date of the accident.

The Board has been applying this section retroactive to January 1, 1992. The Board has been advised that the legislation which became effective January 1, 1995 is not clear as to the retroactivity to January 1, 1992. It is the Board's intention to refer the matter to the courts. The outcome of the courts' decision is not determinable. The financial implications of paying benefits to the claimants affected would be approximately $14.1 million. This amount is based on a preliminary actuarial valuation and could change when the final valuation is completed.

LATENT OCCUPATIONAL DISEASES
The Board is liable for the future costs of claims relating to certain latent occupational diseases which may have occurred in the current year or previously, but which may not be recognized and reported for a number of years due to the extended latency period of such diseases. Because of the absence of reliable evidence and data pertaining to these matters, the liabilities cannot be reasonably estimated and have not been recorded in the financial statements.

13. Other matters

An action has been commenced by Strait Crossing Inc., et al, disputing the amount of claim costs calculated regarding the Strait Crossing Joint Venture agreement and the related adjustment to the receivable (Note 3). The result of the action is not determinable at this time.

As per new guidance provided by Section 3461 of the CICA Handbook on employee future benefits, the Board is not required to accrue a liability for sick-pay benefits that accumulate but do not vest. Accordingly, a liability of $388,774 was reversed to salaries – staff members during the year.

14. Comparative figures

Certain of the 1999 comparative figures have been reclassified to conform with the presentation adopted for 2000.

SCHEDULE OF ADMINISTRATION EXPENDITURES

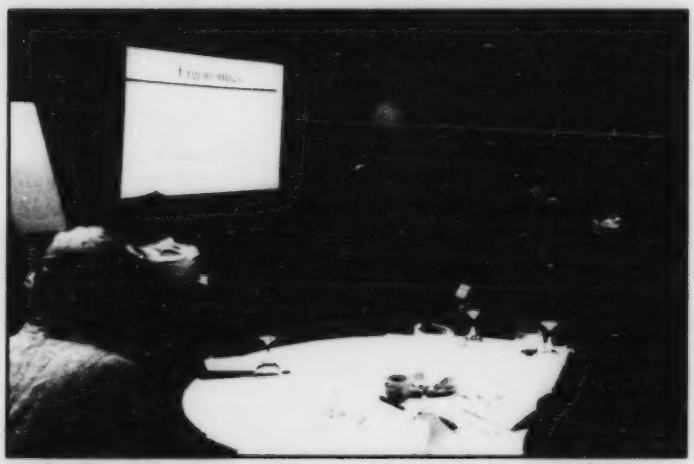
Year Ended December 31	2000	1999
Building operating cost	$112,480	$77,321
Computer maintenance	153,996	135,405
Depreciation	319,351	359,355
Dues and fees	38,292	41,368
Interest on capital lease	42,298	51,380
Interest on debenture	54,628	63,120
Miscellaneous	36,794	38,359
Motor vehicle	7,355	10,014
Postage	110,304	85,979
Printing and office supplies	140,429	153,794
Professional development	42,264	23,582
Professional fees	746,611	397,651
Salaries		
Board members	94,356	90,290
Staff members (Note 13)	1,701,915	1,889,312
Benefits	335,678	312,406
Telephone	110,921	88,649
Travel	147,225	167,256
	$4,194,897	$3,985,241

Occupational Health and Safety Conference 2000

In April, 2000, The Occupational Health and Safety Division of Workers Compensation Board hosted a successful conference on workplace health and safety involving 150 delegates. Management groups, labour groups, safety committee representatives, workers and employers were among those who attended the two day conference to learn more about creating safe workplaces for Islanders. George Stewart, WCB's director of Health and Safety, said the conference features a series of workshops designed specifically to heighten workplace safety awareness.

- Build your own Joint Health and Safety Committee
- De-energization and lockout procedures
- Noise-hearing conservation
- Impact of shift work
- Soft tissue injury protection
- Confined space awareness
- Effective accident prevention
- Understanding the Occupational Health and Safety Act
- Fall protection awareness
- Office ergonomics

In addition to the workshops, a supplier trade show features the latest in safety technology for the workplace. WCB is holding the next Occupational Health and Safety Conference in April, 2001, and will continue vigorously to promote safety for all Islanders.



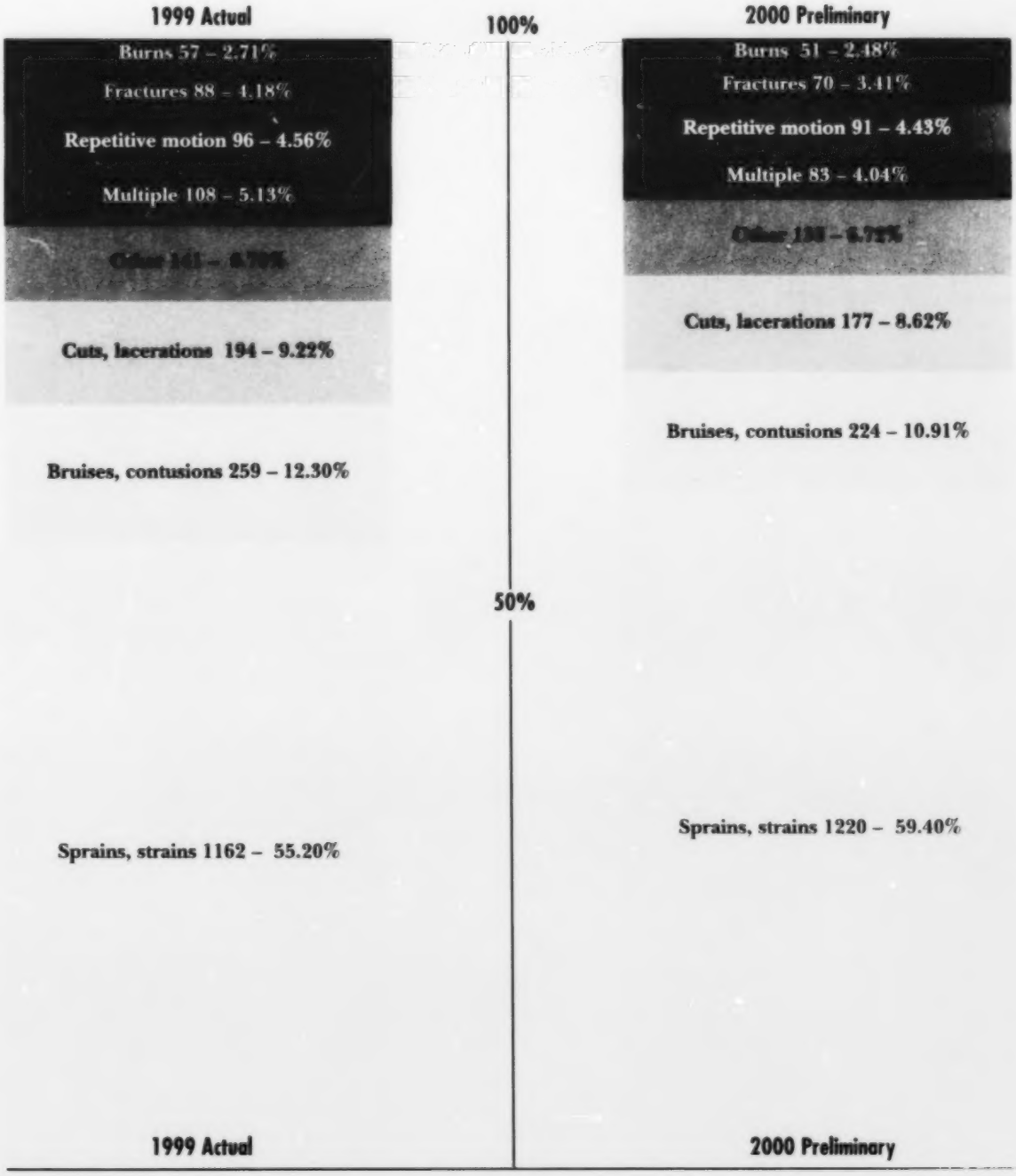
WCB delivers presentation on "Ergonomics" at the Occupational Health and Safety Conference.

Statistical Summary

Workplace Accident Summary

	Fatal accidents	Extended Earnings Loss	Temporary Earnings Loss	Medical Aid Only	Non-Compensable	CN Railway & Air Canada	Marine Atlantic	Federal Government	Provincial Government	Total No. of Claims	Cost of Claims	Assessments
1960	4	13	731	1043	38	62		90	117	1816	306,167	370,652
1961	3	20	732	1053	108	96		121	145	1896	363,793	387,645
1962	4	33	841	948	105	72		123	115	1898	448,962	444,740
1963	4	32	952	1256	198	80		118	116	2410	523,742	480,217
1964	3	11	983	1288	272	83		120	103	2546	399,914	527,993
1965	2	20	1122	1249	281	95		181	91	2654	532,617	559,703
1966	2	14	1182	1121	257	68		116	105	2562	551,880	654,521
1967	15	21	1180	1151	244	81		122	165	2590	634,542	745,171
1968	5	17	1065	1115	212	76		103	142	2397	501,789	676,782
1969	2	22	1038	1096	220	75		97	126	2356	518,678	667,421
1970	4	27	1134	1142	201	63		101	134	2481	593,838	743,543
1971	3	20	1254	996	205	86		92	143	2458	677,691	800,462
1972	4	27	1377	1286	224	86		114	168	2891	845,982	968,285
1973	2	40	1509	1334	220	85		96	174	3065	1,073,105	1,152,146
1974	6	26	1470	1489	289	98		130	213	3254	1,152,201	1,446,823
1975	3	33	1420	1374	339	108		121	214	3136	1,095,140	1,893,534
1976	5	14	1504	1295	356	94		105	225	3160	1,598,112	2,254,147
1977	6	20	1517	1502	439	86		209	251	3464	1,530,300	3,035,627
1978	6	31	1813	1642	548	79		139	242	4009	2,182,518	3,286,027
1979	6	27	1872	1688	638	33	60	151	249	4204	2,687,547	3,584,051
1980	10	21	1829	1543	761	29	60	128	363	4143	3,651,347	3,846,196
1981	1	20	1631	1516	494	14	70	132	292	3642	3,174,414	4,406,811
1982	5	37	1505	1387	575	15	75	172	482	3472	3,631,133	4,238,336
1983	3	30	1627	1624	651	12	66	139	320	3905	3,177,889	4,952,590
1984	1	44	1531	1586	668	10	49	146	367	3786	3,399,864	5,124,608
1985	3	39	1794	1671	888	9	44	149	444	4356	4,949,476	5,554,416
1986	1	48	1927	1691	927	10	36	117	451	4546	5,549,695	5,826,342
1987	3	39	2073	1866	1038	10	35	127	467	4980	6,453,715	6,022,278
1988	0	54	2438	2205	1271	7	49	160	550	5914	7,241,886	8,341,288
1989	4	81	2457	2147	1226	4	69	122	547	5834	8,582,012	10,343,471
1990	3	96	2561	2371	1101	1	93	198	830	6036	13,966,548	13,680,270
1991	5	47	2256	2294	1140	5	83	148	754	5695	16,286,550	15,616,903
1992	3	11	2131	2152	1251	5	87	173	754	5537	16,940,625	16,171,750
1993	2	6	1978	2155	1185	5	120	171	635	5320	15,546,561	17,253,765
1994	3	44	2099	2296	1193	5	81	223	617	5591	22,554,399	16,452,126
1995	2	23	2449	2929	1457	4	88	218	520	6837	16,990,032	18,553,225
1996	3	18	2445	2811	1430	3	85	164	281	6689	16,590,191	18,601,376
1997	3	27	1818	2178	1080	3	35	190	231	5079	17,772,928	17,518,044
1998	3	21	2041	2132	991	6		169	229	5167	22,343,518	19,156,310
1999	4	9	2105	2180	1236	3	0	187	286	5525	20,096,096	19,616,511
2000	0	6	2054	2002	1649	5	0	188	317	5704	25,310,461	21,028,716

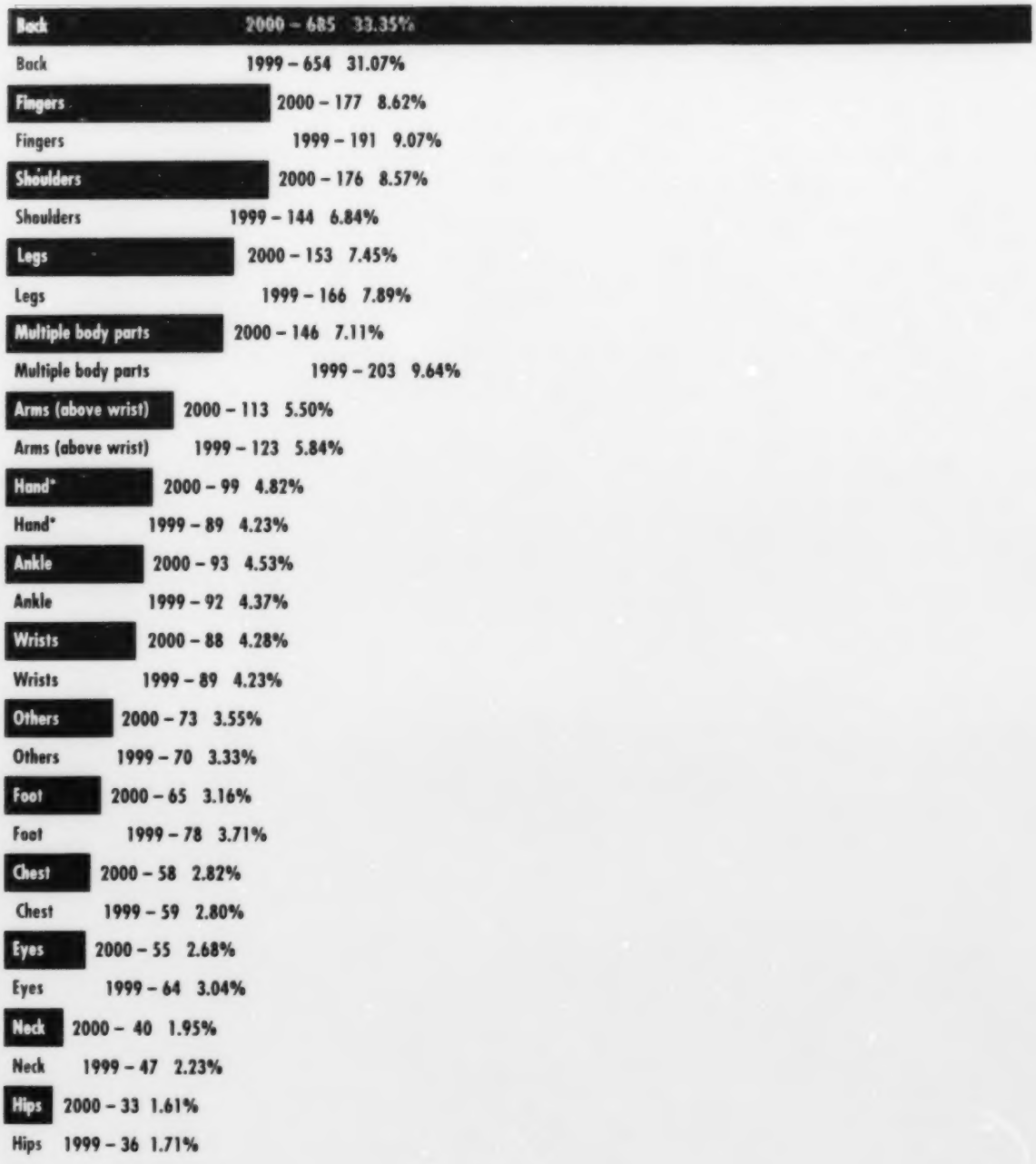
Temporary Earnings Loss Claims — Nature of Injury



Temporary Earnings Loss Claims — Region of Injury

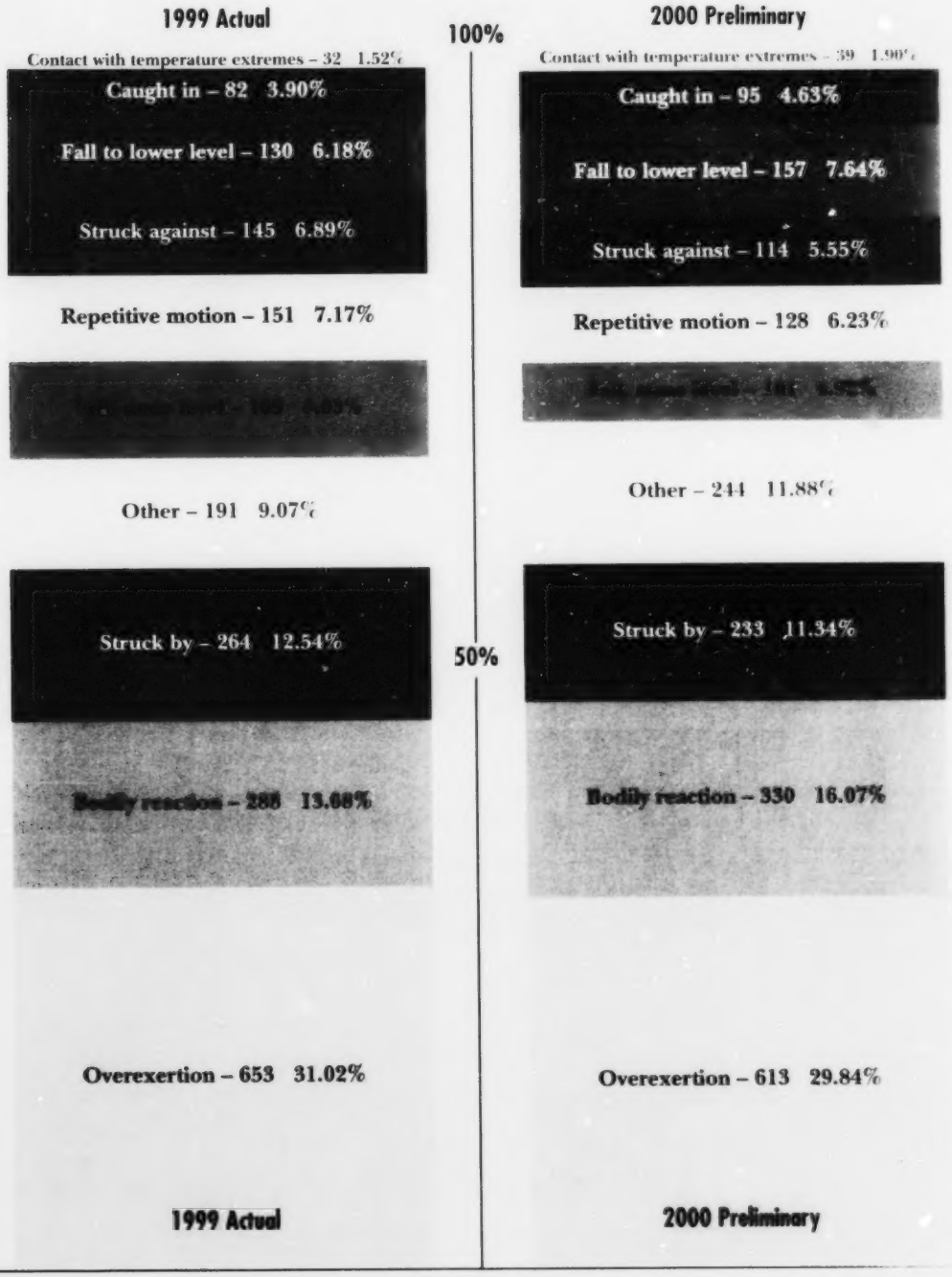
2000 Preliminary

1999 Actual

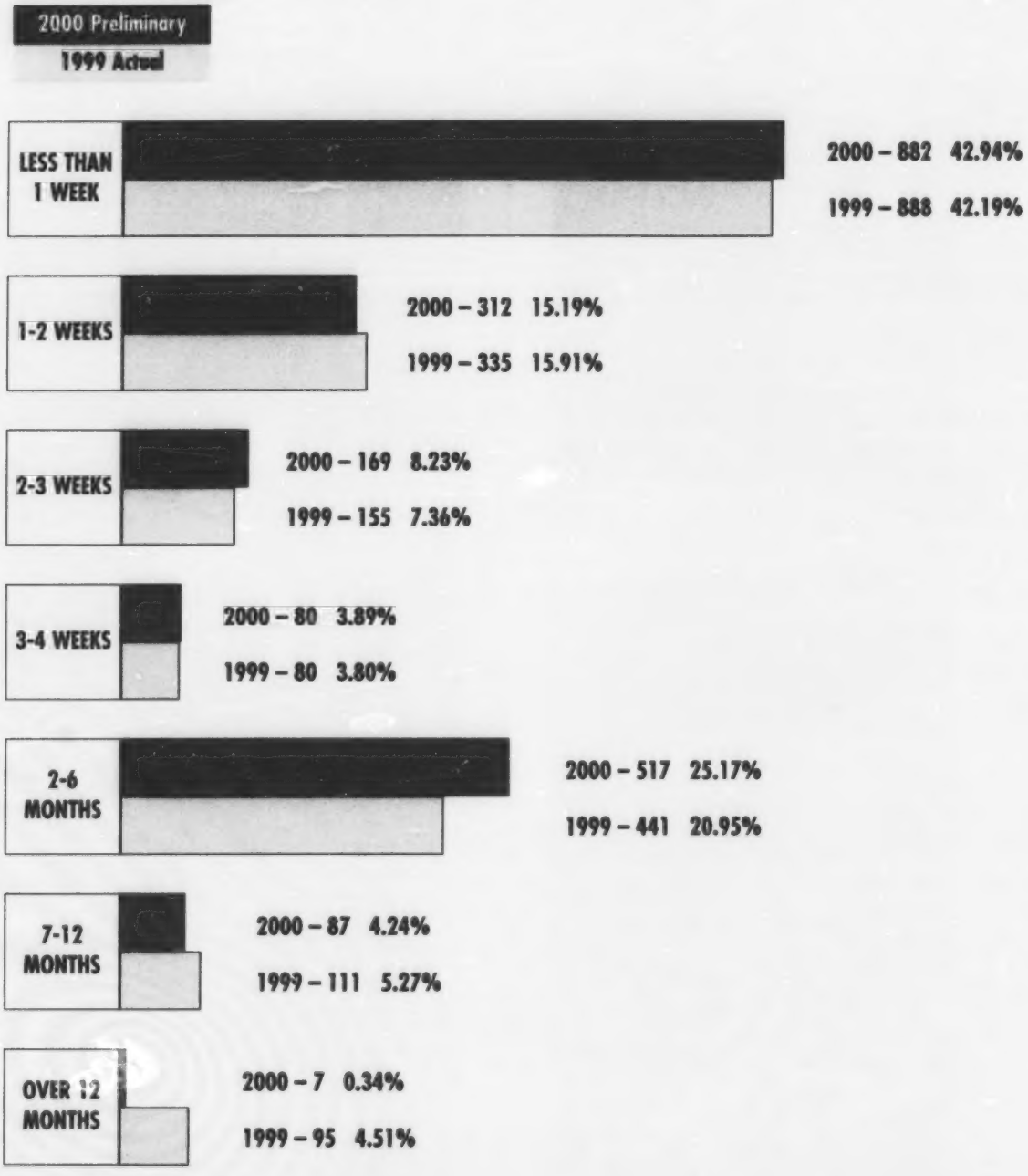


**Does not include fingers*

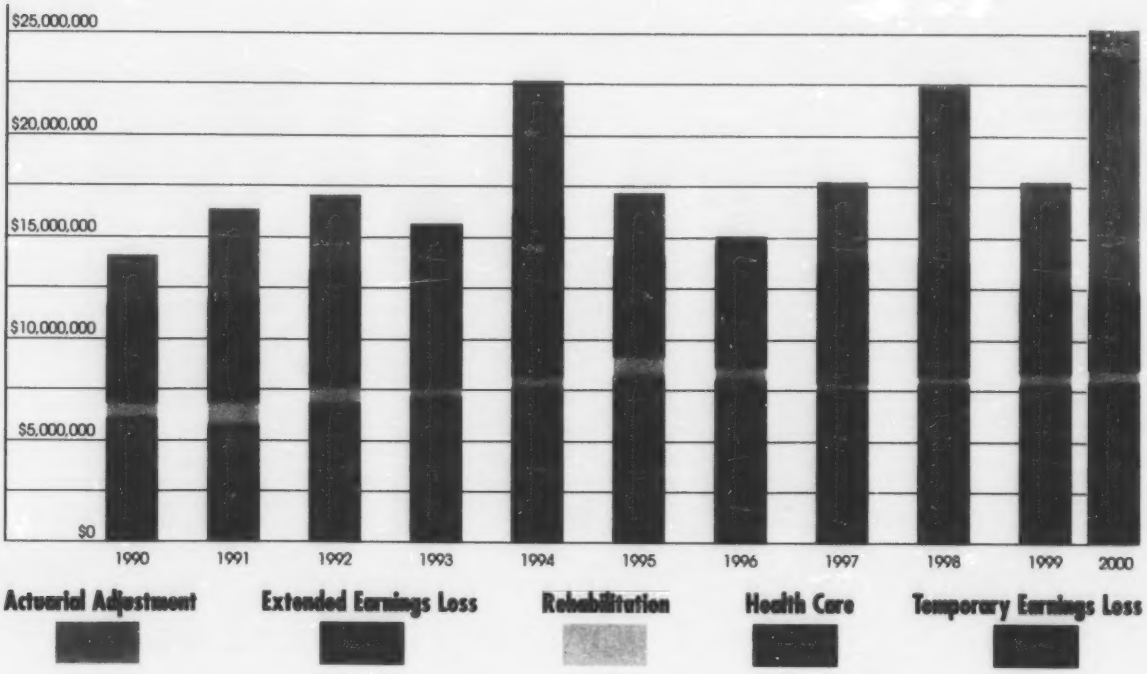
Temporary Earnings Loss Claims — Cause of Accidents


1999 Actual
100%
2000 Preliminary
Contact with temperature extremes – 32 1.52%
Caught in – 82 3.90%
Fall to lower level – 130 6.18%
Struck against – 145 6.89%
Repetitive motion – 151 7.17%
Other – 191 9.07%
Struck by – 264 12.54%
50%
Bodily reaction – 288 13.68%
Overexertion – 653 31.02%
1999 Actual
Contact with temperature extremes – 39 1.90%
Caught in – 95 4.63%
Fall to lower level – 157 7.64%
Struck against – 114 5.55%
Repetitive motion – 128 6.23%
Other – 244 11.88%
Struck by – 233 11.34%
Bodily reaction – 330 16.07%
Overexertion – 613 29.84%
2000 Preliminary

Temporary Earnings Loss Claims – % of Claimants/Time Lost



Compensation by Type of Benefit



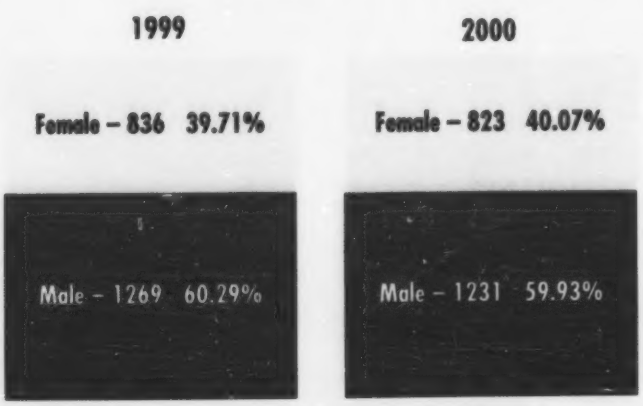
Time Loss claims by Industry Sector

	1999		2000	
Wholesale & retail	149	7.08%	160	7.79%
Accommodation, food & beverage	137	6.51%	173	8.42%
Health care	278	13.21%	288	14.02%
Sales & services, other	279	13.25%	262	12.76%
Forest products	41	1.95%	37	1.80%
Fish processing	190	9.03%	193	9.40%
Agriculture	96	4.56%	83	4.04%
Food processing	209	9.93%	190	9.25%
Manufacturing, other	243	11.54%	188	9.15%
General construction	98	4.66%	87	4.24%
Construction, other	149	7.08%	134	6.52%
Transportation	84	3.99%	78	3.80%
Government services	152	7.22%	181	8.81%
	2105	100.00%	2054	100.00%

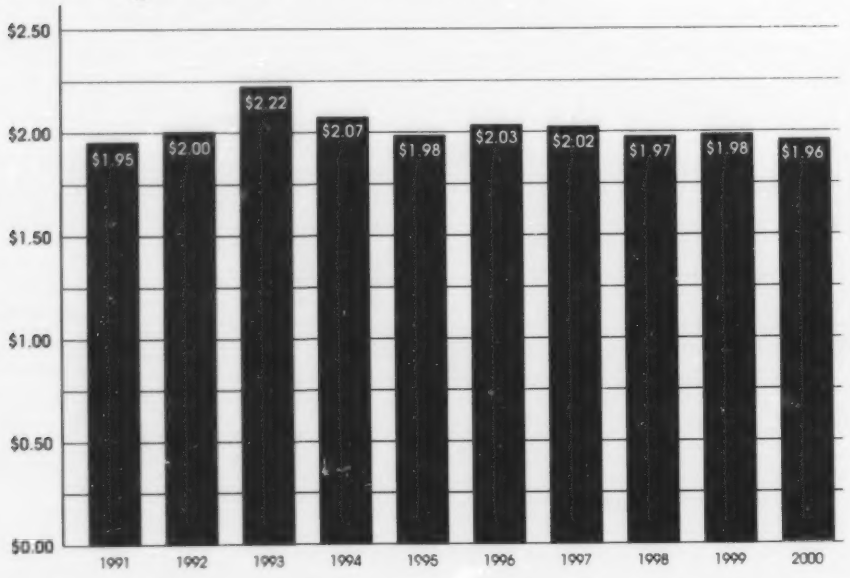
Age at Accident Date

	1999		2000	
Not stated			10	0.49%
Less than 20	84	3.99%	126	6.13%
20 to 24	233	11.07%	250	12.17%
25 to 29	246	11.69%	243	11.83%
30 to 34	311	14.77%	261	12.71%
35 to 39	334	15.87%	319	15.53%
40 to 44	297	14.11%	322	15.68%
45 to 49	264	12.54%	224	10.91%
50 to 54	193	9.17%	173	8.42%
55 to 59	103	4.89%	89	4.33%
60 to 64	37	1.76%	29	1.41%
65 or older	3	0.14%	8	0.39%
TOTALS	2105	100.00%	2054	100.00%

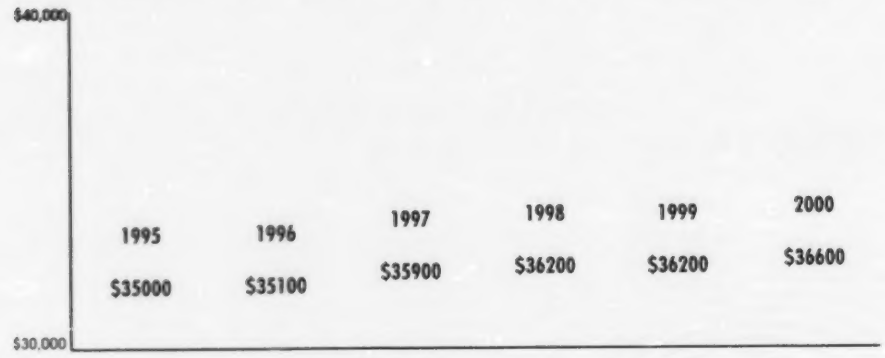
Gender of client



Average Assessment Rates



Maximum Assessable/Insurable Earnings



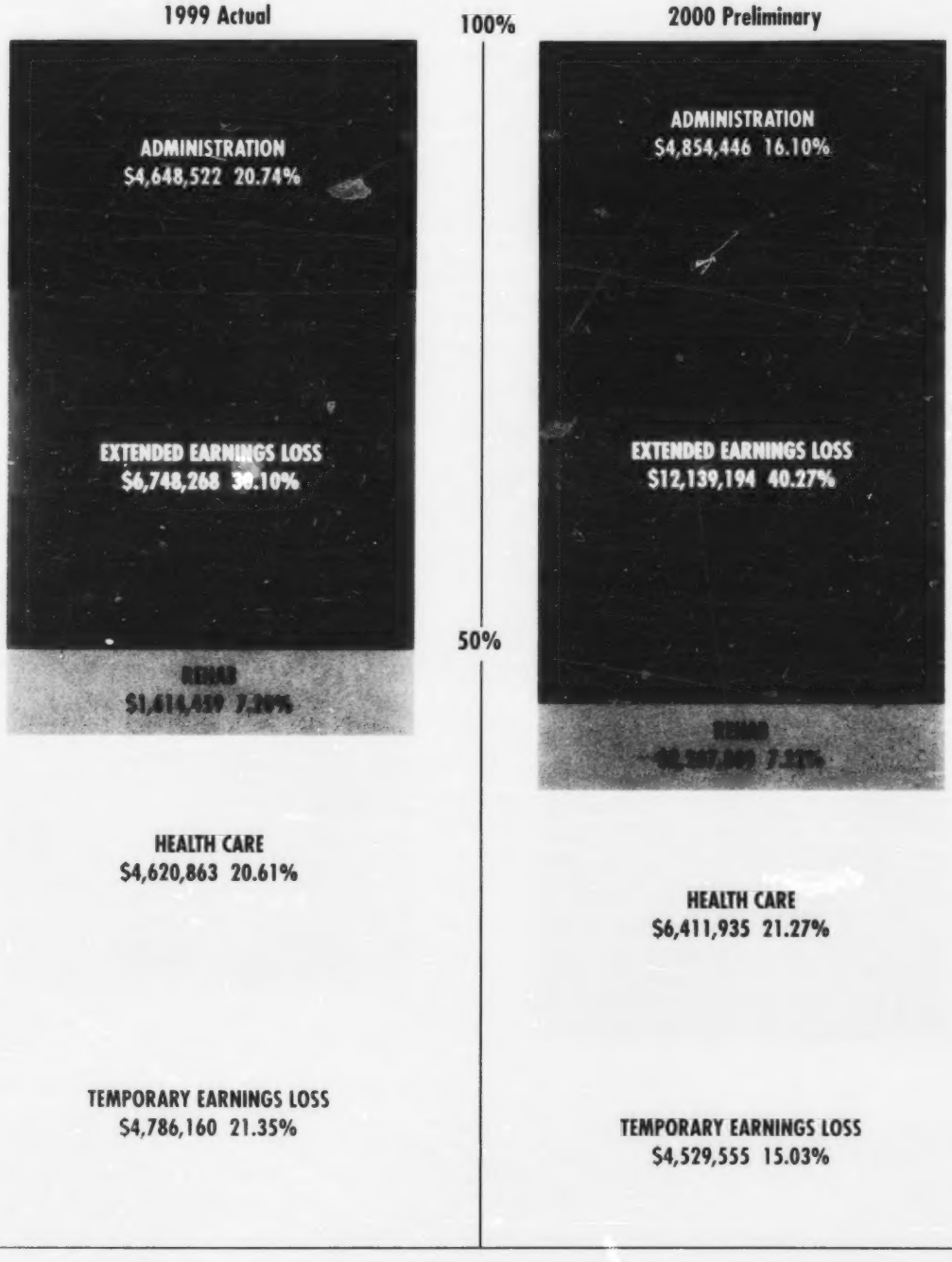
Percentage of earnings for computation of Compensation

Until 1951 — 66 2/3% of gross earnings
Effective January 1, 1951 — 75% of gross earnings
Effective January 1, 1995 — 80% (85% after 39 weeks) of net earnings

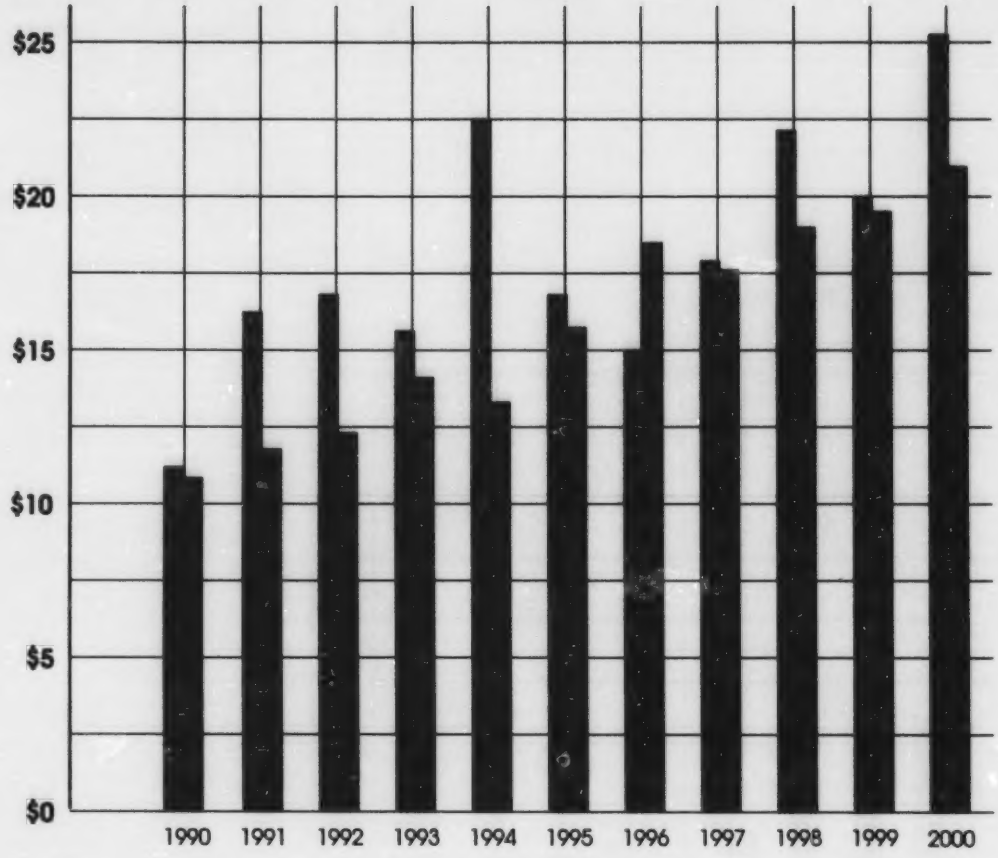
Waiting period

Original act — 7 days
Effective 1951 — 4 days
Effective 1962 — 1 day

Expenditure Dollar Distribution



Benefit Costs versus Assessment Revenues 1990-2000



Benefit Costs

Assessment Revenues

	Benefit Costs	Assessment Revenues
	$ Millions	$ Millions
1990	11.10	10.94
1991	16.29	11.88
1992	16.94	12.27
1993	15.54	14.19
1994	22.55	13.36
1995	16.99	15.79
1996	14.95	18.60
1997	18.02	17.51
1998	22.34	18.88
1999	20.09	19.61
2000	25.31	21.02

Workers Compensation Board of PEI – Percentage Funded